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News Release

Ex-CEO pleads guilty to possession of child pornography and obstruction of justice *Johnson admits destroying more than 12,000 computer files after learning of the Federal Investigation.*

MARTIN FICKE, the Special Agent-in-Charge of the New York Office of the Department of Homeland Security's U.S. Immigration and Customs Enforcement (ICE) and MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that ROBERT JOHNSON, 60, pleaded guilty today in Manhattan federal court to charges that he possessed child pornography and destroyed computer records that were the subject of a federal investigation.

JOHNSON's plea today is the product of "Operation Predator," ICE's law enforcement initiative to protect children from pornographers, child prostitution rings, Internet predators, alien smugglers, and human traffickers.

"Child pornography victimizes children over and over as the vile images are spread and traded from predator," said Ficke. "ICE's 'Operation Predator' is one of the most successful law enforcement programs ever targeting those who target children."

According to the Indictment and JOHNSON's guilty plea, JOHNSON, the former Chief Executive Officer of a publicly traded company headquartered in New York City (the Company), knowingly possessed sexually explicit photographs of children on a computer owned by the Company. JOHNSON had obtained the illegal images by purchasing membership rights to websites that sold child pornography.

According to the Indictment and JOHNSON's statement in court, prior to May 3, 2004, ICE agents learned that ROBERT JOHNSON, using the internet aliases "robjob714" and "jobobo55," had purchased memberships in websites believed to contain and distribute child pornography and had done so through a computer that the agents traced to the Company. On May 4, 2004, an ICE agent spoke to two executives of the Company and informed them that ICE was investigating usage of a Company computer to access Internet websites believed to contain and distribute child pornography but did not tell the Company executives that ICE was investigating ROBERT JOHNSON. On May 4, 2004, one of the executives told JOHNSON, in substance, that the Company had received an inquiry from federal authorities concerning use of a Company computer to access Internet websites that contain and distribute child pornography.

According to the Indictment and JOHNSON's statement in court, on May 5 and 6, 2004, after learning about the federal investigation into the use of a Company computer to access child pornography, JOHNSON used a computer program called "Evidence Eliminator" to destroy and obliterate more than 12,000 files from the hard disk drive of the desktop and laptop computers assigned to him by the Company.

In his plea allocution in court, JOHNSON acknowledged that he had possessed at least two images of child pornography that he had downloaded from an Internet website and he had used the "Evidence Eliminator" program to destroy computer files from his desktop and laptop computers after he learned of the federal investigation.

JOHNSON retired from the Company on May 17, 2004.

JOHNSON faces a maximum of 10 years in prison on the charge of possession of child pornography and a maximum of 20 years in prison on the charge of destruction of documents in connection with a federal investigation. The latter charge was brought pursuant to a statute enacted as part of the Sarbanes-Oxley Act of 2002. JOHNSON is scheduled to be sentenced in Manhattan federal court before United States District Judge RICHARD J. HOLWELL on October 27, 2006 at 12:00 noon.

Since inception in 2003, ICE has made more than 8,500 predator arrests. ICE maintains a toll-free number for the public to provide leads to its enforcement team, including tips concerning child pornography and child sex offenders. The toll-free number (1-866-DHS-2-ICE) is monitored 24 hours a day by officers at the ICE Law Enforcement Support Center.

Assistant United States Attorneys JOHN J. O'DONNELL and IRIS LAN are in charge of the prosecution.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.